<u>**REMARKS**</u>

Claims 1-20 are pending in the present application. Claims 10-20 have been previously withdrawn. No claim amendments have been made herein.

Claims 1-9 are rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6,542,905 to Fogel ("Fogel") in view of U.S. Patent No. 6,526,358 to Mathews ("Mathews").

<u>**Rejection of Claims 1-9 Under 35 U.S.C. § 103(a)**</u>

Claims 1-9 are rejected under 35 U.S.C. § 103(a) as unpatentable over U.S. Patent No. 6,542,905 to Fogel ("Fogel") in view of U.S. Patent No. 6,526,358 to Mathews ("Mathews"). This rejection is respectfully traversed.

Fogel does not teach or suggest "providing an initial probability of the first hypothesis about the at least one variable," as recited in claim 1. The Examiner asserts that Fogel's "first hypothesis" is taught or suggested by the following recitation:

> A similar process is applied to produce an amended data vector that favors the care provider. Reimbursement is calculated under three hypothetical conditions: that the original data vector is valid; that the first amended data vector is valid; and that the second amended data vector is valid.

Col. 4, lines 47-50. However, these hypothetical conditions are all assumed as true, which is not assigning a probability. A probability, generally, is a chance that an event will happen. If a hypothesis is assumed to be true, then there is not a chance, but rather an assumption that the event must happen. Fogel does not teach or suggest any scenario other than assuming each data vector to be true, and, thus, does not teach or suggest a "probability." In contrast, the "initial probability" can be a number other than 1.0 (100% chance an event will happen). *See, e.g.,* page 3, lines 13-17; page 22, lines 19-23.

The Examiner also asserts that Fogel's "ordinal variable" teaches or suggests "providing an initial probability of the first hypothesis about the at least one variable":

> An ordinal variable related to the estimated likelihood that a documentation audit or regulatory scrutiny will be triggered by the data integrity issue identified by the test. For example: A predictive weight of three may represent the likelihood of an audit.

Col. 10, lines 41-45. However, Fogel's estimated likelihood is not a hypothesis about at least one variable. Instead, Fogel recites a hypothesis about whether an audit will be triggered. And

Fogel fails to teach or suggest (1) whether this is an "initial" probability, and (2) how this audit relates to maintaining data integrity. In contrast, claim 1 recites "a method for identifying plausible sources of error in a risk assessment system." *See, e.g.*, page 1, lines 7-9 ("Moreover, the present invention relates to a system and method for assuring the integrity of data used to evaluate financial risks and/or exposures."). Fogel's "estimated likelihood" is irrelevant to the "data vectors" cited by the Examiner or "the at least one variable," recited in claim 1.

Mathews fails to cure the deficiencies of Fogel. First, the Examiner does not assert that Mathews teaches or suggests "providing an initial probability of the first hypothesis about the at least one variable." Second, although Mathews recites a multiple hypothesis test in a hypothesis tester, Mathews does not provide an initial probability of any of these hypothesis. In fact, a probability is only calculated "given the current value of the innovation vector." Col. 6, lines 23-26. And the Examiner, by asserting that this recitation teaches the "determining" and "evaluating" steps of claim 1, cannot take the position that Mathews's hypothesis tester also teaches or suggests providing an initial probability of the first hypothesis about the at least one variable.

Thus, in view of the foregoing and the previous Responses, neither Fogel nor Mathews, alone or in combination, teaches or suggests "providing an initial probability of the first hypothesis about the at least one variable," as recited in claim 1. Because independent claim 1 is patentable over Fogel and Mathews for the reasons stated above, claims 2-9 are patentable over the cited art for the same reasons stated above. Therefore, the undersigned representative respectfully requests that the Examiner withdraw the rejection of claims 1-9 under 35 U.S.C. § 103(a).

CONCLUSION

The undersigned representative respectfully submits that this application is in condition for allowance, and such disposition is earnestly solicited. If the Examiner believes that the prosecution might be advanced by discussing the application with the undersigned representative, in person or over the telephone, we welcome the opportunity to do so. In addition, if any additional fees are required in connection with the filing of this response, the Commissioner is hereby authorized to charge the same to Deposit Account No. 50-4402.

Respectfully submitted,

Date: <u>March 10, 2008</u>   By: <u>*/Eric L. Sophir, Reg. No. 48,499/*</u>
KING & SPALDING LLP   Eric L. Sophir
1700 Pennsylvania Avenue, N.W.   Registration No. 48,499
Washington, D.C. 20006-4706
(202) 626-8980